

**FINAL REPORT
OF THE
INTERIM STUDY COMMITTEE
ON TRANSPORTATION ISSUES**



**Indiana Legislative Services Agency
200 W. Washington St., Suite 301
Indianapolis, Indiana 46204-2789**

November, 2004

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Interim Study Committee on Transportation Issues

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**James Sperlik, Fiscal Analyst
Andrew Roesener, Attorney**

November 1, 2004

A copy of this report is available on the Internet. Reports, minutes, and notices are organized by committee. This report and other documents for this Committee can be accessed from the General Assembly Homepage at <http://www.state.in.us/legislative/>.

INFORMATION REPORT

Interim Study Committee on Transportation Issues

I. STATUTORY AND LEGISLATIVE COUNCIL DIRECTIVES

The Legislative Council assigned the following responsibilities to the Committee.

- A. Study urban mass transportation matters (HB 1083)
- B. Study transportation funding (SCR 42)
- C. Study antique license plates (HR 75)
- D. Study Bureau of Motor Vehicles services and security matters (SR 49)

II. INTRODUCTION AND REASONS FOR STUDY

The Legislative Council created the Interim Study Commission on Transportation Issues (LC Resolution 04-01). The Legislative Council assigned four topics for review by the Committee.

- A. House Bill 1083 of the 2004 Session established an interim study committee to study urban mass transportation.
- B. Senate Concurrent Resolution 42 urged the Commission on State Tax and Financing Policy to study and research the topic of financing public transportation services in counties having a regional transportation authority.
- C. House Resolution 75 urged the establishment of an interim study committee on antique license plates.
- D. Senate Resolution 49 urged the Legislative Council to create an interim study committee to examine the operations of the Bureau of Motor Vehicles.

III. SUMMARY OF WORK PROGRAM

The Committee met three times during the interim following the conclusion of the 2004 session of the General Assembly. All three meetings were held at the State House in Indianapolis.

At its first meeting, held on August 2, 2004, the Committee heard testimony concerning the following issues: (1) public financing of regional transportation authorities; and (2) economic and social impact of urban mass transportation.

At its second meeting, held on August 5, 2004, the Committee heard testimony concerning the following issues: (1) antique license plates; (2) a review and examination

of the Bureau of Motor Vehicles; and (3) criminal background checks.

At its third meeting, held on October 12, 2004, the Committee lacked a quorum. Therefore, no action was taken on any agenda item. The final report was not adopted and therefore is submitted as an information report.

IV. SUMMARY OF TESTIMONY

A. Public Financing of Regional Transportation Authorities

The Committee heard testimony from Committee members on this topic. In addition, the Committee heard from Kent McDaniel, Executive Director of the Indiana Transportation Association, Inc. Mr. McDaniel explained that capital expenses are generally eligible for 80% federal funding and operating expenses are generally eligible for 50% federal funding. Mr. John Livengood of the Indiana Restaurant and Hospitality Association expressed opposition to public financing of regional transportation authorities through a food and beverage tax. He suggested funding from a broader-based tax such as a sales tax. Mr. Livengood told the Committee that he had researched public financing of regional transportation authorities in other states and could not find a single instance of the use of a food and beverage tax as a method of public financing. Mr. Livengood stated that St. Louis, Missouri, utilizes a local sales tax as the funding mechanism for regional transportation authorities. Also, there was general Committee discussion on this topic.

B. Economic and Social Impact of Urban Mass Transportation

Mr. Mark Palmer of the law firm of Sommer Barnard noted that a high percentage of public bus riders use the public bus as the primary means of commuting to work. Mr. Palmer explained that restrictions on services or cancellation of routes will impair the ability of these persons to maintain their current employment. He indicated that this type of occurrence could result in deleterious economic impacts in the areas in which public bus services are provided.

Mr. Palmer stated that environmental concerns are also a basis for supporting public transit systems. He said that 26 counties in Indiana have air pollution levels persistently exceeding the national ambient air quality standards. Mr. Palmer noted that these counties have been designated as nonattainment areas by the U.S. Environmental Protection Agency. He suggested that increased utilization of public transit systems could improve air quality in these counties.

Mr. Gilbert Holmes, President and Chief Executive Officer of IndyGo, noted that air quality, an aging population, and increased fuel costs are all reasons for supporting public transit systems. Mr. Holmes explained that the (Indianapolis/Marion County) City-County Council recently imposed reductions on the budget of IndyGo. Mr. Holmes explained that these budget reductions resulted in the elimination of four IndyGo bus routes. He estimated a negative fiscal impact of \$25M as a result of the route eliminations.

Mr. Holmes explained that IndyGo has a fleet of approximately 200 buses as compared with 900 in Ottawa, Canada, and 400 in Columbus, Ohio. Also, there was general Committee discussion on this topic.

C. Antique License Plates

Representative David Crooks discussed his proposal for a new antique license plate.

Ms. Marilyn Cage, Legislative Liaison for the Bureau of Motor Vehicles (BMV), provided information and pictures of antique license plates used by 19 states. Ms. Cage told the Committee that there is a compromise effort between the involved groups addressing the antique license plate issue. She said that part of the compromise would have the BMV design a license plate to support the model year plate. Ms. Cage told the Committee that the design under consideration has a “classic look”, more consistent with the history of the antique vehicle.

Mr. David Fry, a constituent of Representative Crooks, as well as a vintage car owner, told the Committee that it is important that an antique vehicle has a vintage look which would include the model year license plate versus the current BMV antique license plate. Mr. Fry presented his 1957 license plate he would like to use on his 1957 Chevrolet. The State Police have objected to Mr. Fry’s use of the plate because it is difficult to manage.

Captain Anthony Sommer, an attorney for the State Police, told the Committee that officers checking the model year license plate would not be able to “run” the license plate number because the BMV does not maintain this type of information. He said that this is a security risk. Captain Sommer said that he supports the compromise under consideration.

D. Examination of the Operations of the Bureau of Motor Vehicles

Ms. Marilyn Cage of the BMV addressed the Committee on security matters, personnel issues involving the BMV and the BMVC, and an update on planned technology improvements. Some of the key points are as follows:

- 1) Both the BMV and the BMVC have a background check policy which requires criminal history checks, education, and employment.
- 2) The BMVC has created an Internal Branch Assessment/Reorganization Team. It consists of regional managers, overseen by the Director of Field Management. The team assists branch managers and staff with assessment of work flow, security, and accountability.
- 3) The BMV has created a Security and Investigations Division.
- 4) The BMVC has created the Regional Manager position to oversee the entire Commercial Drivers License Hazardous Materials program mandated by the U.S. Patriot Act.
- 5) The BMVC has established a pilot program placing police officers in Marion County license branches.

- 6) The BMVC established the Central Verification Processing Unit to provide uniform Commission policy for processing drivers license, permit, and identification card transactions for customers providing documents from the U.S. Citizenship and Immigration Services.
- 7) The BMV and the BMVC established the Social Security Number Verification Process. This process will be utilized in establishing a uniform policy for verification of Social Security numbers.
- 8) The BMV and the BMVC are going for the BOSS (Branch Office Support System) to the STARS (System Tracking And Record Support). The new system will have the capabilities necessary to process all transactions, serve as the financial system, and automate paper transactions.
- 9) There will be an update of the integrated telephone renewal systems.
- 10) Computers and printers will be replaced as needed and upgrade Microsoft software support.
- 11) There will be an update of the self-service terminals.
- 12) Branch hours will change, starting October 4. All branches will be open Tuesday, Wednesday, and Friday from 8:30 a.m. to 5:00 p.m.; Thursdays from 8:30 a.m. to 6:30 p.m.; and Saturdays from 8:30 a.m. to 12:30 p.m.

There was significant Committee discussion on these matters.

Ms. Diana Gaddis, representing the National Tenant Network, addressed the Committee. Ms. Gaddis was appearing at the request of Senator Merritt and addressed the Committee on the issue of criminal background checks, which her firm conducts. She said that New York and North Carolina, according to the Indianapolis Star, have the best and most comprehensive criminal background systems in the nation. She said that these states received B+ grades for their systems. She said that Indiana did not do as well.

Representative Goodin asked Committee members for proposed recommendations and language for proposed legislation.

V. COMMITTEE FINDINGS AND RECOMMENDATIONS

The Committee made no findings of fact.

The Committee made no recommendations.

WITNESS LIST

Anthony Sommer
David Fry
Diana Gaddis
Gilbert Holmes
John Livengood
Marilyn Cage
Mark Palmer